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Casey now under fire in Senate

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By Ralph S. Moyed and Joe Trento

Staff writers

Support for embattled CIA Director William J. Casey appeared to be crumbling in the Senate Intelligence Committee after reports that one of Casey's business associates has links to organized crime.

Sen. Daniel Patrick Moynihan, of New York, the panel's vice chairman and once an ardent Democratic supporter of Casey, now says a "crisis" is building that could force Casey's resignation.

The committee chairman, Arizona Republican Sen. Barry M. Goldwater, meanwhile, is maintaining a public posture of mild support for Casey but privately has told colleagues Casey has to go. He wants President Reagan to remove Casey, who was the president's 1980 campaign manager.

On Tuesday, Moynihan accused the White House and the Justice Department of dragging their feet in providing files to the committee for its inquiry into Casey's business transactions and his associates.

Later Tuesday, the Justice Department promised to cooperate with the investigation, but no files had been delivered as of this morning.

The action represented a sharp turnabout for Moynihan, who had made a speech in support of Casey's confirmation.

A spokesman said Moynihan's table-pounding outburst at an intelligence committee meeting was inspired by a report Saturday in The News Journal about Carl Biehl, Casey's business partner and friend. The story said Biehl is identified in Justice Department records as an associate of mob figures in New Orleans, Galveston, Texas, and other ports where his family's stevedoring company operates.

Investigators learned of Biehl's underworld connections in 1973 while conduct-

ing a background check before Casey was confirmed as chairman of the Export-Import Bank under Richard Nixon, The News Journal first reported last week.

According to Justice Department documents, Biehl later agreed to supply information in return for the promise he would not be prosecuted.

FBI sources said those files were avail-

able to the White House, the Justice Department and the Senate before Casey was confirmed as CIA director last January. But a Senate Intelligence Committee spokesman said the committee was unaware of the existence of those files when it was conducting Casey's confirmation hearings.

The committee's review of Casey's dealings originally was ordered in response to news reports about unfavorable rulings in two civil suits against Casey, Biehl and other directors of Multiponics Inc., a failed farm corporation.

Federal judges in New Orleans and New York ruled that Multiponics directors misled investors and drove the company deep into debt by serving their own selfish interests. Multiponics, formed in New Orleans in 1968 to speculate in farm properties and crops, went bankrupt in 1971.

The White House and Senate Republican leaders, including Goldwater, have said Casey's job would not be in jeopardy if the committee staff unearths nothing more damaging than the two lawsuits.

The reported organized crime connections, if they prove to be more substantial, could change that.

Tim Russert, an aide to Moynihan, said the senator had the News Journal story about Biehl in mind when he interrupted a committee meeting to accuse the Justice Department and the White House of not cooperating in the committee inquiry of Casey.

Moynihan said the committee staff had tried in vain to get the

files. He said he had placed calls to the White House and Attorney General William French Smith, but neither called back.

"I'm absolutely outraged," Moynihan said at the committee hearing. "If they're not going to help us establish that the director should not resign, then the result will be that he will resign."

"If they are going to cover up, they are going to lose themselves their director of the CIA damn fast," Moynihan said.

Tom DeCair, a spokesman for the Justice Department, said Moynihan hadn't called until after Smith had left for the day Monday afternoon, and Smith tried to return the call when he came to work Tuesday morning.

The committee issued a formal request for the files. It was signed by Moynihan and Goldwater.